CEQA

NOTICE OF PREPARATION OF NEGATIVE DECLARATION

Notice is hereby given pursuant to California Public Resources Code Sections 21092 and 21092.3 that the Bay Area Air Quality Management District (BAAQMD) has prepared and proposes to adopt a Negative Declaration in connection with the project described in this notice.

Project Title: ConocoPhillips' request for approval of an Alternative Compliance Plan (ACP) to use Interchangeable Emission Reduction Credits (IERCs) to comply with District Regulation 9, Rule 10 (BAAQMD Permit Application # 14857)

Project Location/Description: ConocoPhillips Company, 1380 San Pablo Avenue, Rodeo, California 94572, which is located in Contra Costa County. The BAAQMD is conducting a review of an Alternative Compliance Plan (ACP) proposed by ConocoPhillips for its refinery to determine whether approval of this ACP will cause significant environmental effects under the California Environmental Quality Act (CEQA). The ACP addresses the means that ConocoPhillips proposes to use to comply with the nitrogen oxide (NOx) requirements of District Regulation 9, Rule 10, which regulates NOx emissions from petroleum refineries. This application is for an ACP, which would allow ConocoPhillips to utilize IERCs (pending approval) to demonstrate compliance with the NOx limit, for 29 process heaters at the Rodeo refinery.

ConocoPhillips Company currently owns and operates one refinery in the District. This facility is Plant No. 16. This refinery is subject to Regulation 9, Rule 10, which limits NOx emissions from petroleum refineries. At this facility, there are 29 sources subject to Reg. 9-10. These sources will comply with Reg. 9-10 using an Alternative Compliance Plan (pending approval), per Section 2-9-303. Under the ACP, the individual heaters are not required to comply with a specific emission limit, but rather a refinery-wide average. The current refinery-wide average NOx limit is 0.033 lb/million Btu. This emission rate limit is on a daily basis.

The IERCs that will be used for this ACP are pending approval under application number 14856. These IERCs were generated from source S-438, U110 H-1 Heater, at ConocoPhillips Company, for the following three credit generation periods: January 1 through December 31, 2004, January 1 through December 31, 2005; and January 1 through June 10, 2006. These IERCs were generated because S-438 operated with emissions below its NOx limit in Condition # 12123 Part 4 (for S-438) from January 2004 through March 15, 2005 and Condition # 1694, Part E.4 from March 16, 2005 to June 10, 2006.

Negative Declaration: A copy of the draft Negative Declaration is available for review at the BAAQMD office at 939 Ellis Street, San Francisco, on the District website (www.baaqmd.gov), or may be obtained by calling the BAAQMD at (415) 749-4689.

Written comments on the Negative Declaration must be addressed to Carol Lee, Senior Air Quality Engineer, Bay Area Air Quality Management District, 939 Ellis Street, San Francisco, California, 94109, or emailed to clee@baaqmd.gov. All comments must be received by 5:00 p.m. on [30 days from the date on this notice].

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